RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL HEARINGS SECTION

OIL AND GAS DOCKET NO. 08-0267025 IN THE EDWARDS -04- (WOLFCAMP) FIELD, CRANE COUNTY, TEXAS

FINAL ORDER APPROVING INCREASED NET GAS-OIL RATIO AUTHORITY FOR THE EDWARDS "12" LEASE, WELL NO. 1 EDWARDS -04- (WOLFCAMP) FIELD CRANE COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on October 29, 2010, the presiding examiner has made and filed a report and recommendation containing findings of fact and conclusions of law, for which service was not required; that the proposed application is in compliance with all statutory requirements; and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the examiner's report and recommendation, the findings of fact and conclusions of law contained therein, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that CML Exploration, LLC is hereby granted permission to produce the Edwards "12" Lease, Well No. 1 (API No. 42-103-35694), in the Edwards -04- (Wolfcamp) Field, Crane County, Texas, under increased net gas-oil ratio authority with a casinghead gas limit of 400 MCFGPD.

It is further **ORDERED** that the subject well's oil allowable shall not be penalized unless the above permitted casinghead gas limit is exceeded.

It is further **ORDERED** that all accumulated overproduction for this well is canceled.

Done this 30th day of November, 2010.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated November 30, 2010)